



Minnesota Economic Update

November 18, 2016

Summary

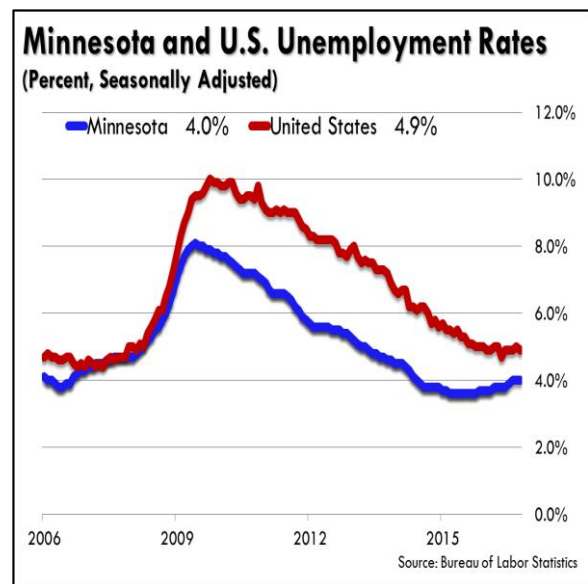
Nonfarm payroll employment in Minnesota declined by 12,500 jobs, and the unemployment rate was unchanged at 4.0 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Minnesota Unemployment Rate

During October, the unemployment rate in Minnesota was unchanged at 4.0 percent. The number of people counted as unemployed fell by 1,596 in October to 118,049, while the labor force fell by 7,391 to 2,986,393. Among the 50 states and the District of Columbia, 10 posted lower unemployment rates for the month than Minnesota. A year earlier, the unemployment rate in Minnesota stood at 3.6 percent.

The 10-year peak for the unemployment rate in Minnesota was 8.1 percent in June 2009. The series high for the unemployment rate in Minnesota occurred in January 1983 when the unemployment rate reached 8.9 percent. The 10-year low for the unemployment rate in Minnesota was 3.6 percent in October 2015. The series low for the unemployment rate in Minnesota occurred in March 1999 when the unemployment rate was 2.5 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 4.9 percent in October. October's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Minnesota Payroll Employment

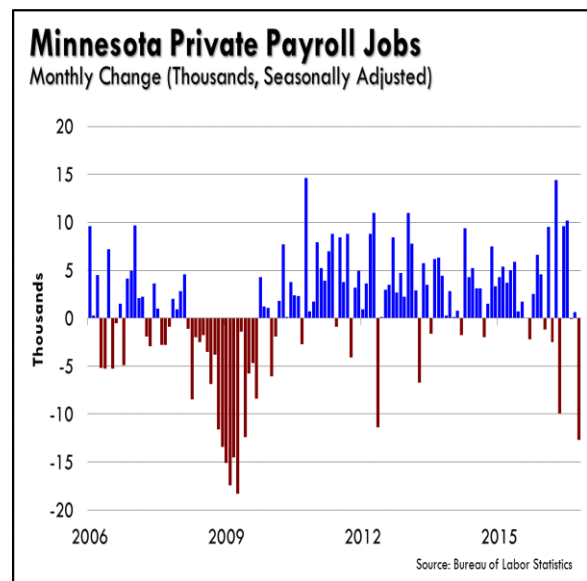
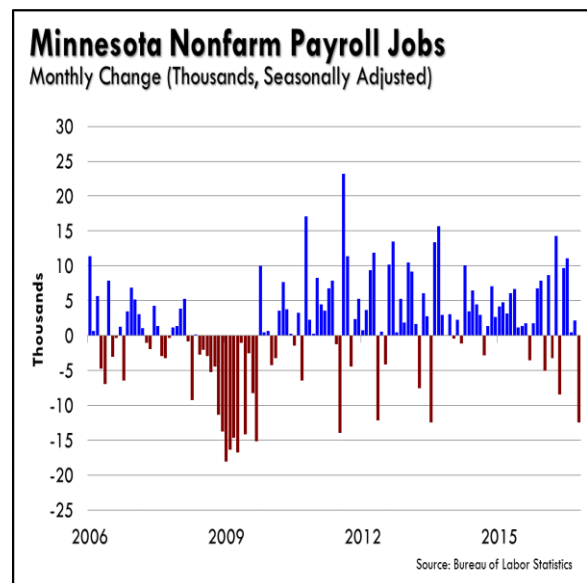
Minnesota nonfarm payrolls declined by 12,500 jobs, or 0.43 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 2,200. Over the past 12 months, nonfarm payrolls in Minnesota increased by 32,100, or 1.12 percent. Minnesota nonfarm payroll employment has increased in 8 of the past 12 months.

Nationally, nonfarm payrolls increased by 161,000 jobs in October, or 0.11 percent. Over the 12-month period ending October 2016, nonfarm payrolls grew by 2,357,000 jobs, or 1.65 percent. Minnesota ranks 28th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Minnesota private-sector payrolls declined by 12,700, or 0.51 percent. Private-sector payrolls increased by 600 jobs in the prior month. Over the past 12 months, private-sector payrolls in Minnesota increased by 29,100, or 1.19 percent. Minnesota private-sector payroll employment has increased in 7 of the past 12 months.

Nationally, private-sector payroll jobs increased by 142,000 jobs in October, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,149,000 jobs in the private-sector, an increase of 1.78 percent. Minnesota ranks 29th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During October, total government payroll employment in Minnesota increased by 200, or 0.05 percent. Federal government payroll employment declined by 200, or 0.62 percent. State government payroll employment increased by 400, or 0.39 percent, while local government payroll employment was unchanged.



Over the past year, total government payroll employment increased by 3,000, or 0.71 percent. State government payroll employment increased by 2,600, or 2.56 percent. Local government payroll employment declined by 100, or 0.03 percent.

The best performing sectors on a seasonally adjusted basis during October were Financial Activities (+1,100) and Total Government (+200). The poorest performing sectors during the month were Leisure & Hospitality (-3,900) and Trade, Transportation & Utilities (-2,500).

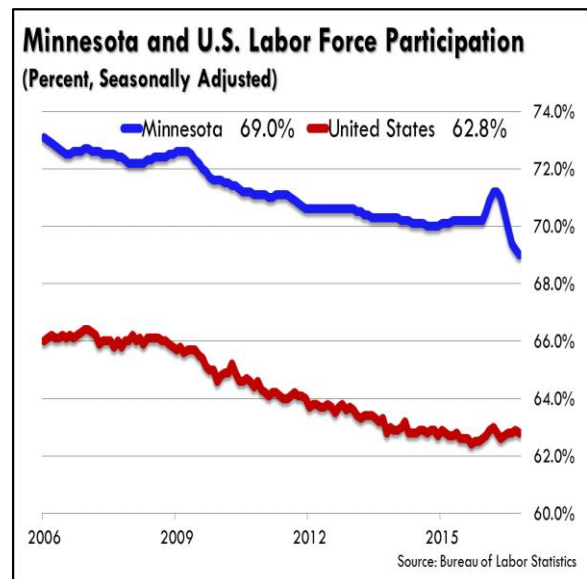
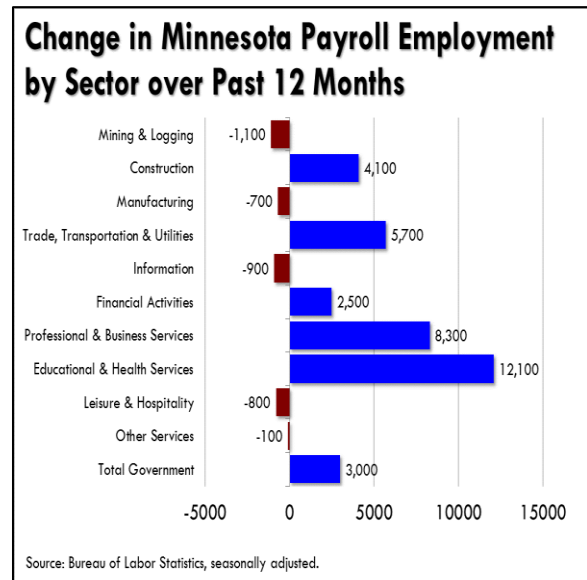
The best performing sectors during the last twelve months were Educational & Health Services (+12,100) and Professional & Business Services (+8,300). The poorest performing sectors during the last twelve months were Mining & Logging (-1,100) and Information (-900).

Other Minnesota Labor Force Statistics

The labor force participation rate in Minnesota declined to 69.0 percent in October from 69.2 percent the prior month. Among the 50 states and the District of Columbia, 6 have a higher labor force participation rate than Minnesota. The labor force participation rate in Minnesota is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10-year high for the labor force participation rate in Minnesota was 72.7 percent in January 2007. The series high for the labor force participation rate in Minnesota occurred in February 2001 when the labor force participation rate hit 75.6 percent. The 10-year low for the labor force participation rate was 69.0 percent in October 2016. The series low for the labor force participation rate occurred in April 1976 when the labor force participation rate hit 65.5 percent.

The national labor force participation rate declined by 0.1 percentage point to 62.8 percent in October 2016, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the Minnesota civilian noninstitutionalized population 16 years and older counted as employed, declined to 66.2 percent in October from 66.4 percent the prior month. Among the 50 states and the District of Columbia, 5 have higher employment-to-population ratios than Minnesota. The employment-to-population ratio in Minnesota is 1.4 percentage points lower than a year earlier.

The 10-year high for the employment-to-population ratio in Minnesota was 69.5 percent in November 2006. The series high for the employment-to-population ratio in Minnesota occurred in April 2000 when the employment-to-population ratio hit 73.0 percent. The 10-year low for the employment-to-population ratio was 66.0 percent in November 2010. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio was 61.2 percent.

The national employment-to-population ratio declined by 0.1 percentage point to 59.7 percent in October. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on December 16, 2016. The national employment situation report for November will be released on Friday, December 2, 2016.

